



## VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

### TAXABLE BOND PROGRAM

#### **Application Instructions**

1. A 2003 calendar of Board Meeting and application cut off dates is attached to these instructions.
2. Notice of submission of your application must be completed. VSBFA will send this notice to the governing body of the locality where the project will be located. A sample format is attached to these instructions.
3. The Applicant must deliver to VSBFA **one original and one (1) copy** of the application including all required attachments (see below), and a **non-refundable application fee of \$500.00**. VSBFA's address is:

Virginia Small Business Financing Authority  
707 E. Main Street, Suite 300, Richmond, VA 23219  
or  
P. O. Box 446, Richmond, VA 23218-0446

4. If you have any questions after reviewing the Application, please call or write to VSBFA at the above address or contact our office at 804-371-8254.

#### **REQUIRED ATTACHMENTS**

**THIS APPLICATION WILL NOT BE CONSIDERED COMPLETE UNLESS THE FOLLOWING ITEMS ARE SUBMITTED WITH THE APPLICATION FORM (ORIGINAL AND 1 COPY).**

- A. Cover Letter - Please enclose a letter which includes (1) a brief history and description of the applicant's business; (2) a description of the project to be undertaken; and (3) the benefits the community will receive if the bond financing is approved.
- B. Fiscal Impact Statement - See Exhibit I of Application.
- C. Separate Financial Information - For each applicant, project user and guarantor please attach:
  - 1) A balance sheet (or personal financial statement) dated within the last 90 days.
  - 2) Historical financial statements for the past three fiscal years. In order to keep this financial information confidential and not part of public records, you must mark each page "confidential".
  - 3) Projected revenues (estimated profit and loss statement) for two full years after project loan is approved.
  - 4) Copy of financial commitment from bond purchaser or underwriter, if available.

PLEASE CONTACT VSBFA IF YOU HAVE ANY QUESTIONS AS TO WHAT FINANCIAL INFORMATION IS REQUIRED TO BE SUBMITTED WITH THE APPLICATION.

# **VIRGINIA SMALL BUSINESS FINANCING AUTHORITY**

## **PUBLIC HEARING DATES**

**Contact VSBFA at (804) 371-8254 for time and location of VSBFA Public Hearing**

<b>Date of Public Hearing</b>	<b>Latest Date Application must be Received by VSBFA</b>	<b>Latest Date for First Publication</b>	<b>Latest Date for Second Publication</b>
January 28, 2003	01/07/2003	01/14/2003	01/21/2003
February 25, 2003	02/04/2003	02/11/2003	02/18/2003
March 25, 2003	03/04/2003	03/11/2003	03/18/2003
April 22, 2003	04/01/2003	04/08/2003	04/15/2003
May 27, 2003	05/06/2003	05/13/2003	05/20/2003
June 24, 2003	06/03/2003	06/10/2003	06/17/2003
July 22, 2003	07/01/2003	07/08/2003	07/15/2003
August 26, 2003	08/05/2003	08/12/2003	08/19/2003
September 23, 2003	09/02/2003	09/09/2003	09/16/2003
October 28, 2003	10/07/2003	10/14/2003	10/21/2003
November 25, 2003	11/04/2003	11/11/2003	11/18/2003
December 16, 2003	11/25/2003	12/02/2003	12/09/2003

## **SAMPLE NOTICE FORMAT**

### **NOTICE OF SUBMISSION OF APPLICATION TO THE VIRGINIA SMALL BUSINESS FINANCING AUTHORITY FOR TAXABLE BOND FINANCING**

Notice is hereby given that (insert name and address of the principal place of business of Applicant) (the "Applicant") has submitted an application to the Virginia Small Business Financing Authority ("VSBFA") for VSBFA to issue up to (insert maximum dollar amount of financing requested) of its taxable bonds to assist the Applicant (describe whether Applicant is acquiring, constructing, equipping, renovating, etc. facility; approximate square footage of the facility; what type of business will be carried on at facility to be financed) to be located at (give street address and town, city or county where located; if no street address is available, give legal description including acreage, lot, block, etc.), Virginia. The taxable bonds will not pledge the faith and credit or the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including VSBFA, but will be payable solely from revenues derived from the Applicant and pledges therefore. Comments may be made to VSBFA at 707 E Main Street, Suite 300, Richmond, VA 23219, telephone 804-371-8254.

**APPLICATION TO THE  
VIRGINIA SMALL BUSINESS FINANCING AUTHORITY  
FOR THE ISSUANCE OF  
TAXABLE INDUSTRIAL DEVELOPMENT BONDS**

<hr/> <b>NAME OF APPLICANT(S)</b> <hr/>	<hr/> <b>DATE SUBMITTED</b> <hr/>
<hr/> <b>LOCATION OF PROJECT (COUNTY OR CITY)</b> <hr/>	<hr/> <b>MAXIMUM AMOUNT OF BONDS REQUESTED</b> <hr/>

**APPLICATION**

**The information requested herein is needed to process your application for taxable bond financing. Please complete all sections, using "NONE" or "NOT APPLICABLE" where necessary. In all cases, if the applicant (project owner) is different from the project user, information should be provided on both entities. If more space is needed to answer a specific question, please attach a separate sheet.**

Does the applicant, including any parent or subsidiary corporation or affiliated entity, in Virginia, have either:

- 1)      50 or less employees?                      Yes \_\_\_\_ No \_\_\_\_  
Please state number of full time employees: \_\_\_\_\_
  
- 2)      Less than \$10,000,000 in annual gross revenues over each of the last three (3) fiscal years?  
Yes \_\_\_\_ No \_\_\_\_  
Please state annual gross revenues over each of the last three fiscal years:  
2001 \$ \_\_\_\_\_ 2000 \$ \_\_\_\_\_ 1999 \$ \_\_\_\_\_
  
- 3)      Less than \$2,000,000 in net worth?    Yes \_\_\_\_ No \_\_\_\_  
Please state net worth: \$ \_\_\_\_\_

**I      PROJECT APPLICANT** (proposed owner of the project)

A.      Applicant's Legal Name: \_\_\_\_\_  
\_\_\_\_\_  
P.O. Box/Street Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone Number:    (\_\_\_\_\_) \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Federal Tax ID#: \_\_\_\_\_

B. Brief history and description of business:

C. Business Organization:

Corporation (type) \_\_\_\_\_ Partnership (type) \_\_\_\_\_ Sole Proprietorship \_\_\_\_\_

Date and State of Incorporation or Formation: \_\_\_\_\_

Is the proposed project owner, and/or user, a subsidiary or direct or indirect affiliate of any other organization? If so, indicate name of related organization and relationship:

D. Management: List all officers, directors and general partners of Applicant. Also list owners, stockholders or limited partners owning 20% or more interest in Applicant. Complete all columns for each person (Use separate sheet if necessary.)

Name (first, middle & last) Home Address (include ZIP Code)	Office Held	Ownership (as % of Applicant)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

If any of the above persons own more than 50% of the applicant, please list all other companies, partnerships or associations in which such persons have more than 50% interest. (Use separate sheet if needed.)

E. If the answer to any of the following three questions is "yes", please furnish details in a separate attachment.

1. Have any of the persons listed in Item I-D above ever been charged with, or convicted of, any criminal offense other than a minor motor vehicle violation? \_\_\_\_\_
2. Has the applicant or management of applicant been informed of any current or on-going investigation of the applicant with respect to possible violations of state or federal securities laws? \_\_\_\_\_
3. Has the applicant or any person listed in Item I-D above or any concern with which the applicant or any person listed in Item I-D has been connected, been in receivership or adjudicated as bankrupt? \_\_\_\_\_

- F. Please list below each occupant of the facility to be financed, together with a description of the type of business use and percentage of occupancy of the facility.

Occupant	Type of Business	% Occupancy
_____	_____	_____
_____	_____	_____
_____	_____	_____

**II PROJECT REPRESENTATIVES:** Contact Person, Company Name, Complete Address (including zip code), Telephone Number:

Applicant's Attorney \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant's Bond Counsel \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant's Accountant \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant's Regular Bank  
or Lending Institution: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Probable Lender/  
Guarantor or  
Underwriter for this  
Project: \_\_\_\_\_  
\_\_\_\_\_

Project Architect \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project Engineer \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project Contractor

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Project Manager:

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### **III PROJECT SUMMARY**

- A. Please provide a brief narrative description of the project to be financed (including square footage, type of facility, products produced, if any, etc.):

- B. Location of Proposed Project

Street Address

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City, County or Town

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Name, Complete Address, and Telephone Number of Clerk of Local Governing Body; i.e. - Council for cities and towns or Board of Supervisors for counties:

Name

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Address

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Telephone

( ) 

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- C. Project Site (Land)

If land is to be financed, please indicate approximate size (in acres or square feet) of project site, present use of project site, and present owner of project site.

- D. Buildings

1. If project involves acquisition/financing of an existing building, please indicate size of building (square feet, stories) and present owner of the building:

2. If project consists of the construction of a new building, indicate size of building (square feet, stories) and the status of any construction work begun on the project:
  
3. If the project consists of additions and/or renovations to an existing building, indicate nature of expansion and/or renovation:

E. Equipment

1. Describe in detail any machinery or equipment to be financed. Attach separate sheet if necessary.
  
2. Has any of the above equipment been ordered or purchased?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please indicate:

<u>Item</u>	<u>Cost</u>	<u>Date Received</u>
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F. Refinancing

Will any of the funds provided by this financing be used to repay or refinance an outstanding loan?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please provide details below.

**IV PROJECT COSTS**

- A. State the costs reasonably necessary for the completion of the proposed project, together with any machinery and equipment to be acquired in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description</u>	<u>Amount</u>
Land	\$ _____
Buildings (Purchase)	_____
Buildings (Construction)	_____
Buildings (Renovations)	_____
Equipment, machinery	_____
Utilities, roads and appurtenant facilities	_____
Engineering and/or Architectural fees	_____
Legal fees	_____
Financial charges	_____



Other (Specify) \_\_\_\_\_

TOTAL PROJECT COST \_\_\_\_\_

Less: Equity Contribution if any \_\_\_\_\_

Other Sources of Funding (specify) \_\_\_\_\_

TOTAL BOND FINANCING REQUESTED \$ \_\_\_\_\_

**V ANTICIPATED BENEFIT TO THE COMMONWEALTH**

A. Indicate facts, which would assist VSBFA in determining that the project would:

1. Tend to maintain, diversify or expand employment opportunities within Virginia:

2. Aid, assist and encourage economic development in Virginia:

B. Employment Impact:

Indicate below the number of people presently employed at the site of the project (or current employees who will be relocating to the project site) and the number that will be employed at the site at the end of the first and second years after the project has been completed (do not include construction workers).

Type of Employment	Presently on site or at "old" location	First Year	Second Year
Professional Managerial Technical			
Skilled			
Unskilled/ Semi-skilled			
Total			

C. Construction Employment

Please estimate the number of construction workers to be employed during the construction or renovation of the project:

\_\_\_\_\_ Construction jobs

D. State other potential economic, social or non-monetary benefits, which will accrue to the citizens of the Commonwealth of Virginia.

E. Tax Benefits (not included in Fiscal Impact Statement):

1. Please estimate the amount of sales or use tax revenue per annum to be derived from the facility being financed. \$ \_\_\_\_\_
2. Please estimate the amount of business or license tax revenue per annum to be derived from the facility being financed. \$ \_\_\_\_\_
3. Please estimate the amount of unemployment compensation tax per annum to be derived from the facility being financed. \$ \_\_\_\_\_

**VI CERTIFICATE OF APPLICATION**

PLEASE NOTE: Eligibility for financial assistance from VSBFA is determined by the information presented in this Application and in the required attachments. Any changes in the status of the proposed project from the facts presented herein could disqualify the project, including, but not limited to, the commencement of construction or the acquisition of assets such as land or equipment.

Please contact VSBFA before taking any action which would change the status of the project as reported herein.

**AGREEMENT TO PAY VIRGINIA SMALL BUSINESS FINANCING AUTHORITY'S  
COSTS AND EXPENSES:**

To induce the Virginia Small Business Financing Authority to consider this Application and to adopt a resolution agreeing to assist Applicant in the financing of the project, Applicant, by submitting this Application to the Virginia Small Business Financing Authority, agrees:

1. To pay all costs and expenses of the Virginia Small Business Financing Authority and its counsel, financial advisors and program managers in connection with the processing, authorization, issuance and sale of the bonds contemplated by this Application; either from the proceeds of the bonds which may be approved for the project by the Virginia Small Business Financing Authority, or in the event such financing is not approved or forthcoming, or if such costs are unable to be financed in the bond issue for legal or other reasons, the Applicant agrees to pay all costs from its own resources.
2. To advise the Virginia Small Business Financing Authority in writing of any material change to the information contained in this Application.
3. To provide, after successfully closing on the bond issue, one bound copy of the bond issue transcript for the Virginia Small Business Financing Authority's files.
4. *To pay to the Virginia Small Business Financing Authority on each anniversary date of the closing of the bond issue a fee equal to one-eighth of one percent (1/8 of 1%) of the then outstanding principal amount of the bonds.*

The Applicant agrees that the Virginia Small Business Financing Authority shall not be liable to the Applicant for any damages, direct or consequential, resulting from the failure of the Virginia Small Business Financing Authority to issue industrial development bonds for the Applicant's project for any reason, including, but not limited to, any decision by the Virginia Small Business Financing Authority in its sole discretion to allocate its allowable volume of industrial development bonds to other applicants.

The Applicant further represents that it understands the conditions of this Application, that there is no guarantee of approval, and that all statements and information furnished with this Application or on supporting papers are true and correct to its best knowledge and belief.

IN WITNESS WHEREOF, the undersigned, being duly authorized to do so, have/has signed this Application.

(Corporation or Partnership)

\_\_\_\_\_  
Business Name

By: \_\_\_\_\_  
Title \_\_\_\_\_

(Individual(s) or  
Proprietorship)

\_\_\_\_\_  
Business Name, if applicable

X \_\_\_\_\_

X \_\_\_\_\_

Sworn and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

My commission expires:    /    /

\_\_\_\_\_  
Notary Public

EXHIBIT I

**FISCAL IMPACT STATEMENT FOR PROPOSED  
INDUSTRIAL DEVELOPMENT BOND FINANCING**

TO: Virginia Small Business Financing Authority

\_\_\_\_\_  
(Name of Applicant)

\_\_\_\_\_  
(Facility)

\_\_\_\_\_  
(Date)

1. Maximum amount of financing sought. \$ \_\_\_\_\_
2. Estimated current taxable value of the facility's real property in the municipality in which it is located. \$ \_\_\_\_\_
3. Estimated taxable value of the facility's real property once constructed or expanded. \$ \_\_\_\_\_
4. Estimated real property tax per year using present tax rates on the facility's real property once constructed or expanded. \$ \_\_\_\_\_
5. Estimated personal property tax per year from property to be located in expanded or constructed facility using present tax rates. \$ \_\_\_\_\_
6. Estimated merchants' capital tax per year from property to be located in, expanded or constructed facility using present tax rates. (This is a local tax. Check with the locality for information.) \$ \_\_\_\_\_
7. Estimated dollar value of goods and services that will be purchased in the Commonwealth during construction or expansion of the facility. \$ \_\_\_\_\_
8. Estimated dollar value per year of goods and services that will be purchased in the Commonwealth for the operation of the facility. \$ \_\_\_\_\_
9. Estimated dollar value per year of goods and services that will be produced and sold from the facility. \$ \_\_\_\_\_
10. Estimated number of employees during construction or expansion. # \_\_\_\_\_
11. Estimated number of regular employees on a year-round basis during operation. # \_\_\_\_\_
12. Average annual salary per regular employee during operation of the facility. \$ \_\_\_\_\_

If any of the above answers do not apply to the project, indicate this by writing N/A (not applicable) on the appropriate line.